

Rule 2202 - On-Road Motor Vehicle Mitigation Options
Air Quality Investment Program
REQUEST FOR PROPOSALS (RFP)

#P 2004-22

The South Coast Air Quality Management District (AQMD) requests proposals for the following purpose according to terms and conditions attached. In the preparation of this Request for Proposals (RFP) the words "Proposer," "Contractor," and "Consultant" are used interchangeably.

PURPOSE

The AQMD is seeking proposals for the Air Quality Investment Program (AQIP) established in Rule 2202 - On-Road Motor Vehicle Mitigation Options as amended in February 2004. Rule 2202 allows for the use of emissions reduction programs to comply with the performance standards. One of the compliance alternatives available to employers is the AQIP. Monies from this restricted fund will be used to fund emission reduction programs that achieve equivalent emission reductions with Rule 2202.

Proposals submitted may include but are not limited to marine vessel repowering, on-road alternative fuel projects, off-road diesel repowering, old vehicle scrapping, mobility enhancing service projects, emission reduction credits from stationary sources. Proposals will be evaluated and scored separately within each category. Proposals should demonstrate that emission reductions are real, surplus, and quantifiable, and contain appropriate methodologies.

Multiple awards may be granted under this RFP, subject to the approval of the AQMD Governing Board. Total funding for this RFP will be the total amount of funds available in the AQIP at the time of award. Due to the indefinite nature of the work, the actual contract amount cannot be precisely determined at this time. The Executive Officer may recommend award of the contract to a proposer other than the proposer receiving the highest rating in the event the Executive Officer determines that another proposer from among those technically qualified would provide the best value to the AQMD considering cost and technical factors.

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SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

RFP FOR AIR QUALITY INVESTMENT PROGRAM

SECTION I: INTRODUCTION/BACKGROUND

In December 1995, South Coast Air Quality Management District (AQMD) Governing Board adopted Rule 2202 - On-Road Motor Vehicle Mitigation Options. Rule 2202 was amended in February, 2004 reflecting new emission factors to be used in calculating Rule 2202 compliance. Rule 2202 represents a significant departure from the trip reduction strategies previously available to affected employers. Rule 2202 Air Quality Investment Program, allows employers with 250 or more employees to participate in an air quality investment program. An employer may elect to participate in the program by investing annually \$60 per employee or triennially \$125 per employee into an AQMD administered restricted fund. Monies collected from the restricted fund will be used by the AQMD to fund proposals that reduce mobile source emissions. Emission reduction proposals may include but are not limited to old-vehicle scrapping, clean on-road vehicles, clean off-road vehicles, remote sensing, other mobile source emission credits (MSERC), and emission reduction credits (ERC) from stationary sources.

SCHEDULE OF EVENTS

Deadline for Bidders request for clarification	Bidders Conference	Proposals Due Date (No later than 5:00 p.m.)	Board Approval
April 15, 2004	April 15, 2004	June 4, 2004	September 2004
Amount of funding available will be announced at the Bidders Conferences and will also be posted on the AQMD web site at www.aqmd.gov.			
The Bidders Conferences will be held in Room CC3 at the AQMD Headquarters, 9 AM to 10:30 AM on April 15, 2004.			

STATEMENT OF COMPLIANCE

Government Code Section 12990 and California Administrative Code, Title II, Division 4, Chapter 5, require employers to agree not to unlawfully discriminate against any employee or applicant because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age. A statement of compliance with this clause is included in all AQMD contracts.

CONTACT PERSON:

Questions regarding the content or intent of this RFP or on procedural matters should be addressed to:

Fred Minassian
Technology Implementation Manager
South Coast Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-2641

AQMD OBJECTIVE:

The objective is to utilize revenues collected in the AQIP to fund alternative mobile source emission/trip reduction strategies that are potentially more effective and could result in greater overall emissions reductions than otherwise achieved through a rideshare program. Some of the programs that could be considered to receive funding may include the procurement of low or zero emission vehicles; implementation of remote sensing; old vehicle scrapping; repowering of off road construction equipment, repowering of marine vessels, the creation or improvement of localized demand responsive, mobility enhancing services, such as shuttle services; telecommuting centers and others. Additionally, ERCs generated pursuant to Regulation XIII may be utilized. The AQMD will consider, to the greatest extent feasible, the funding of proposals that reduce mobile source emissions or trips in each county, in proportion to the contribution level of employers of each county to the AQIP. As such, on-road related projects will receive the highest funding priority.

SECTION II: PARTICIPATION IN THE PROCUREMENT PROCESS

A. It is the policy of the South Coast Air Quality Management District to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises, and small businesses have a fair and equitable opportunity to compete for and participate in AQMD contracts.

B. Definitions:

The definition of minority or women business enterprise set forth below is included for purposes of determining compliance with the affirmative steps requirement described in Paragraph F below on procurements funded in whole or in part with EPA grant funds which involve the use of subcontractors. The definition provided for disabled veteran business enterprise and local business are provided for purposes of determining eligibility for point or cost considerations in the evaluation process.

1. "Minority-or-women business enterprise" as used in this policy means a business enterprise that meets all the following criteria:
 - a. a business that is at least 51 percent owned by one or more minority persons or women, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons or women.

- b. a business whose management and daily business operations are controlled by one or more minority persons or women.
 - c. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
- 2. "Minority person" for purposes of this policy, means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, and Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan).
- 3. "Disabled veteran" as used in this policy is a United States military, naval, or air service veteran with at least 10 percent service-connected disability who is a resident of California.
- 4. "Disabled veteran business enterprise" as used in this policy means a business enterprise that meets all of the following criteria:
 - a. is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
 - b. the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
 - c. is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.
- 5. "Local business" as used in the Procurement Policy and Procedure means a company that has an on-going business within the boundaries of the South Coast AQMD at the time of bid application and performs 90% of the work related to the contract within the boundaries of the AQMD and satisfies the requirements of Paragraph H below.
- 6. "Small business" as used in this policy means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
 - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 2000 to 3999, inclusive, of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

7. "Joint ventures" as defined in this policy pertaining to certification means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture.

C. Under Request for Quotations, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be granted a preference in an amount equal to 5% of the lowest cost responsive bid. Local businesses (if the procurement is not funded in whole or in part by EPA grant funds) shall be granted a preference in an amount equal to 2% of the lowest cost responsive bid.

D. Under Request for Proposals, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be awarded ten (10) points in the evaluation process. A non-DVBE or large business shall receive seven (7) points for subcontracting at least twenty-five (25%) of the total contract value to a DVBE. On procurements which are not funded in whole or in part by EPA grant funds local businesses shall receive five (5) points.

E. AQMD will ensure that discrimination in the award and performance of contracts does not occur on the basis of race, color, sex, national origin, marital status, sexual preference, creed, ancestry, medical condition, or retaliation for having filed a discrimination complaint in the performance of AQMD contractual obligations.

F. When contracts are funded in whole or in part by EPA grant funds and if subcontracts are to be let, the Contractor must comply with the following, evidencing a good faith effort to solicit minority and women owned enterprises. Contractor shall submit a certification signed by an authorized official affirming compliance with the steps below at the time of proposal submission. The AQMD reserves the right to request documentation demonstrating compliance with these steps prior to contract execution.

1. Place qualified small and minority businesses and women's business enterprises on solicitation lists;

2. Assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources including advertising at least ten days in advance of the bid in a variety of media directed to minority-and women-owned business audiences;
 3. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
 4. Establish delivery schedules, where requirements permit, which encourage participation by small and minority business, and women's business enterprises; and
 5. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- G. To the extent that any conflict exists between this policy and any requirements imposed by federal and state law relating to participation in a contract by a certified MBE/WBE/DVBE as a condition of receipt of federal or state funds, the federal or state requirements shall prevail.
- H. When contracts are not funded in whole or in part by EPA grant funds, a local business preference will be awarded. For such contracts that involve the purchase of commercial off-the-shelf products, local business preference will be given to suppliers or distributors of commercial off-the-shelf products who maintain an on-going business within the geographical boundaries of the AQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90% of the manufacturing or fabrication effort within the geographical boundaries of the AQMD shall be entitled to the local business preference.
- I. In compliance with federal fair share requirements set forth in 40 CFR 35.6580, the AQMD shall establish a fair share goal annually for expenditures covered by its procurement policy.

SECTION III: WORK STATEMENT/SCHEDULE OF DELIVERABLES

A. Work Statement

The scope of work involves a series of tasks and deliverables, defined by the proposal, that demonstrate compliance with the requirements of the Air Quality Investment Program contained in Rule 2202. At a minimum any request for funding must demonstrate that the proposed project method will result in emissions reductions that:

- are real, quantifiable, enforceable and surplus in accordance to Rule 2202 - On-Road Motor Vehicle Mitigation Options Implementation Guidelines;
- are cost-effective;
- can be initiated within one year of issuance of a contract under this RFP;
- are considered new projects that have not been initiated prior to the date of release of the RFP;
- have AQMD approved emissions quantification protocols;
- comply with applicable AQMD rules and regulations; and

- are in compliance with other applicable local, state, and federal programs, and are not required as a mitigation measure to reduce adverse environmental impacts identified in an environmental document prepared in accordance with the California Environmental Quality Act or the National Environmental Policy Act.

B. Tasks

To be defined through the proposal and approved by the Executive Officer. The responsibility for developing detailed project plans that address the program criteria falls to the project proponents. Each proposal should clearly set forth objective and specific requirements that the program will meet. The proposal should also specify steps in the process or tasks with completion dates for the purposes of tracking project implementation.

C. Deliverables

To be defined through the proposal and approved by the Executive Officer. The responsibility for developing detailed project plans and deliverables that address the program criteria falls to the project proponents.

SECTION IV: REQUIRED QUALIFICATIONS

The proposer must have demonstrated experience, knowledge and/or expertise in the area of management, technical production and any other field necessary to demonstrate that the respondent is capable of carrying out the specifics of the proposal.

SECTION V: PROPOSAL SUBMITTAL REQUIREMENTS

Submitted proposals must follow the format outlined below and all requested information must be supplied. **Failure to submit proposals in the required format will result in elimination from proposal evaluation.**

Each proposal must be submitted in three parts:

- Part I must relate to the Technical Proposal and must detail the compliance with all Rule 2202 requirements
- Part II must relate to the cost proposal
- Part III must contain the Certifications and Representations included in Attachment A to this RFP which have been executed by an authorized official of the Proposer.

PART I - TECHNICAL PROPOSAL

Cover Letter - Must include the name, address, and telephone number of the contractor, and be signed by the person or persons authorized to represent the firm.

Table of Contents - Clearly identify material contained in the proposal by section and page number.

Firm Contact Information - Provide the following information on the firm:

1. Address and telephone number of office in, or nearest to, Diamond Bar, California.
2. Name and title of firm's representative designated as contact.

Summary (Section A) - State the alternative process/methodology that is proposed to be utilized to replace the emission reductions that would be otherwise achieved through implementation of Rule 2202, and the methods by which compliance with all the requirements stated in this RFP and Rule 2202 will be met. The estimated emission reductions for VOC, NO_x and CO must, at a minimum, include the following information:

- Estimated emission reductions of VOC, NO_x and CO clearly indicated for each pollutant **in pounds per year**.
- All calculations used to determine the estimated emission reductions. **Any calculations that are partially completed or incorrect will be subject to disqualification.**
- Cite source of calculation methodology and/or emission factors (i.e., Rule 2202, CARB EMFAC, AP42, etc.). **Documentation of source should be included in the proposal. Incomplete documentation will be subject to disqualification.**
- The year(s) in which the estimated reductions will take place.
- The time period the estimated emission reductions will occur by stating the number of months or years irrespective of funding. State if the project will end when program funding is exhausted and the period of time.
- Project Location
- Proposals are solicited for the permanent relinquishment of the ERC stream, including the total costs. Please note that the generation date of all ERCs offered must accompany the proposal.
- Name, address and contact information of all sub contractors

It is the responsibility of the proposer to insure that all information submitted is accurate and complete. The proposer may be found liable and may be obligated to compensate the AQMD for any shortfalls or invalid emission reductions generated.

Summary (Section B) - Describe the overall approach to meeting the objectives and satisfying the scope of work to be performed, the sequence of activities, and a description

of methodology or techniques to be used. Include any co-sponsorship commitments to leverage available AQIP funds.

Program Schedule (Section C) - Provide projected milestones or benchmarks for submitting reports within the total time allowed.

Project Organization (Section D) - Describe the proposed management structure, program monitoring procedures, and organization of the proposed team.

Qualifications (Section E) - Describe the technical capabilities of the firm. Provide references of other similar projects performed during the last five years demonstrating ability to successfully complete the project. Include contact name, title, and telephone number for any references listed. Provide a statement of your firm's background and experience in performing similar projects for other governmental organizations.

Assigned Personnel (Section F) - Provide the following information on the staff to be assigned to this project:

1. List all key personnel assigned to the project by level and name. Provide a resume or similar statement of the qualifications of the lead person and all persons assigned to the project. Substitution of project manager or lead personnel will not be permitted without prior written approval of AQMD.
2. Provide a statement of the education and training program provided by, or required of, the staff identified for participation in the project, particularly with reference to management consulting, governmental practices and procedures, and technical matters.
3. Provide a summary of your firm's general qualifications to meet required qualifications and fulfill statement of work, including additional firm personnel and resources beyond those who may be assigned to the project.

Subcontractors (Section G) - This project may require expertise in multiple technical areas. List any subcontractors that may be used and the work to be performed by them.

Conflict of Interest (Section H) - Address possible conflicts of interest with other clients affected by actions performed by the firm on behalf of the AQMD. Although the proposer will not be automatically disqualified by reason of work performed for such firms, the AQMD reserves the right to consider the nature and extent of such work in evaluating the proposal.

Project Requirements (Section I)

1. Provide a statement indicating whether or not 75% of the work will be performed within the geographical boundaries of the South Coast Air Quality Management District. In case of marine vessels at least 75% of nautical annual miles traveled must occur within AQMD coastal water boundaries as defined in the Attachment and that the use of global positioning systems (GPS) can be feasibly implemented.
2. Marine vessel applicants can only request funding for the incremental cost of a new engine, as compared to overhauling the existing engine. Engine, engine hardware costs must be verified by bids.
3. Funded marine vessel projects must be in operation for a minimum period of 5 years.
4. GPS data for marine vessels, where applicable, needs to be submitted on a quarterly basis; GPS units will be installed at no cost to the operators.

Additional Data (Section J) - Provide other essential data that may assist in the evaluation of this proposal.

PART II - COST PROPOSAL

Name and Address - The Cost Proposal must list the name and complete address of the proposer in the upper, left-hand corner.

Cost Proposal - Cost information must specify the amount of funding requested and provide a general cost breakdown of expenditures that includes general administrative and implementation cost.

The cost proposal should also clearly indicate the cost-effectiveness of the project, in terms of dollar (\$) per total pounds of pollutants to be reduced according to the following formulas:

$$\text{Total Annual Emission Reduction (lbs)} = \text{VOC} + \text{NO}_x + \left(\frac{\text{CO}}{7}\right)$$

$$\text{Cost Effectiveness} = \frac{(\text{Funding Request} \times \text{Capital Recovery Factor})}{\text{Total Annual Emission Reduction}}$$

The Capital Recovery Factor is provided in the following table:

Project Life	Capital Recovery Factor
1	1.030
2	0.523
3	0.354
4	0.269
5	0.218
6	0.185
7	0.161
8	0.142
9	0.128
10	0.117

Capital Recovery Factor is calculated using the following formula:

$$\frac{(1+i)^n \times (i)}{(1+i)^n - 1}$$

where, i = discount rate (3 percent)
 n = project life in years

Total project cost must be clearly indicated at the end of the Cost Proposal.

Co-funding - List all sources of co-funding and/or additional sources of funding

Emission Credits - List any contractual arrangements and/or ownership of any credits generated that will be generated as a result of the project.

PART III - CERTIFICATIONS AND REPRESENTATIONS (see Attachment A to this RFP)

PROPOSAL SUBMISSION

All proposals must be submitted according to specifications set forth in the section above. Failure to adhere to these specifications may be cause for rejection of proposal.

Signature - All proposals should be signed by an authorized representative of the proposer.

Due Date - The proposer shall submit **eight (8) complete copies** of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the proposer and the words "**Request for Proposals P 2004-22.**" Proposals will be accepted on a continual basis and recommended for approval to the Governing Board quarterly. The project proposals for funding are due no later than 5:00 p.m. on the closing date listed in the section entitled "SCHEDULE OF EVENTS" and should be directed to:

Procurement Unit
South Coast Air Quality Management District
21865 East Copley Drive
Diamond Bar, CA 91765

Late bids/proposals will not be considered. Any correction or resubmission done by the proposer will not extend the submittal due date.

NOTE: THIS IS AN ONGOING PROGRAM WHICH IS DESIGNED TO RECEIVE PROPOSALS ON A CONTINUAL BASIS. PROPOSALS THAT HAVE NOT RECEIVED FUNDING OR SUBMITTED LATE MAY BE RESUBMITTED FOR RECONSIDERATION IN FUTURE RFP SOLICITATIONS.

Grounds for Rejection - A proposal may be immediately rejected if:

- It is not prepared in the format described, or
- It is signed by an individual not authorized to represent the firm.
- It is solely a demonstration or a marketing proposal

Disposition of Proposals - The AQMD reserves the right to reject any or all proposals. All responses become the property of the AQMD. One copy of the proposal shall be retained for AQMD files. Additional copies and materials will be returned only if requested and at the proposer's expense.

Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of AQMD. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

SECTION VI: PROPOSAL EVALUATION/CONTRACTOR SELECTION CRITERIA

- A. AQMD staff will evaluate all submitted proposals and make recommendations to the Governing Board for final selection of contractor(s).
- B. The proposals would require AQMD/CARB/EPA emission reduction quantification protocols. The proposals will be divided in to the following categories and the proposals in each category will be scored separately.
 - Marine vessel repowering
 - On-road alternative fuel projects
 - Off-road diesel repowering
 - Old-vehicle scrapping
 - Mobility enhancing services
 - Emission reduction credits from stationary sources
 - Miscellaneous

Top ranking proposals from each category will be further evaluated to determine if the level of emission reductions of VOC, NOx, and CO compared to the requested funding will meet

the overall Rule 2202 emission reduction target given the total funds available at the time award recommendations are made.

The AQMD has a desire to provide a significant portion of the available funds for on-road mobile source related projects since one of the primary objectives of Rule 2202 AQIP is to achieve equivalent emissions reductions in those areas where rideshare programs would have been implemented. As such, at least 60 percent of the total available AQIP funds will be allocated to on-road mobile source projects including old-vehicle scrapping. The remaining 40 percent will be disbursed among the five remaining categories with no minimum for any one category. If there are insufficient on-road mobile source proposals or old-vehicle scrapping proposals that would satisfactorily achieve the total emission reduction target at the 60 percent funding minimum, the AQMD may select projects from the other four categories such that funding for on-road and old-vehicle scrapping are less than 60 percent. The highest ranking proposals from each category will be subsequently evaluated based on their proposed emission reductions to determine which set of proposals will provide sufficient emission reduction to meet the required AQIP emission reduction targets, given the available funds. As such, the highest ranking proposals may not necessarily be recommended for award.

C. Each member of the evaluation panel shall be accorded equal weight in his or her rating of proposals. The evaluation panel members shall evaluate the proposals according to the specified criteria and numerical weightings set forth below:

	<u>Points</u>
a. Projects resulting in transportation technology improvements, transportation/transit improvements, utilization of alternative emission reduction programs, innovative technologies and air quality improvement measures. Ability of project to generate quantifiable and verifiable emission reductions.	45
b. Ability of project to expedite air quality benefits	20
c. Cost effectiveness	35
Total Points	100

Additional Points

Small Business or Small Business Joint Venture	10
DVBE or DVBE Joint Venture	10
Use of DVBE or Small Business Subcontractors	7
Local Business (Non-EPA Funded Projects Only)	5

Total Additional Points*:

* The cumulative points awarded for small business, DVBE, use of small business or DVBE subcontractors and local business shall not exceed 15 points.

- D. To receive additional points in the evaluation process for any of the categories listed above, the proposer must submit a self-certification or certification from the State of California Office of Small Business Certification and Resources at the time of proposal submission certifying that the proposer meets the requirements set forth in Section II. To receive points for the use of DVBE and/or Small Business subcontractors, at least 25 percent of the total contract value must be subcontracted to DVBEs and/or Small Businesses.
- E. During the selection process the evaluation panel may wish to interview some proposers for clarification purposes only. No new material will be permitted at this time.
- F. Notwithstanding Section VI(B), the (Executive Officer or Governing Board) may award the contract to a proposer other than the proposer receiving the highest rating in the event the Executive Officer determines that another proposer from among those technically qualified would provide the best value to the AQMD considering cost and technical factors. The criteria in the RFP encourages a variety of projects. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on evidence provided in the proposal and on any other evidence provided during the bid review process. Evidence provided during the bid review process is limited to clarification by the proposer of information presented in his/her proposal.
- G. Selection will be made based on the above-described criteria and rating factors. The selection will be made by the appropriate dates and is subject to Executive Officer or Governing Board approval. All proposers will be notified of the results by letter.
- H. The Executive Officer or Governing Board may award contracts to more than one proposer if in (his or their) sole judgment the purposes of the (contract or award) would best be served by selecting multiple proposers.
- I. If additional funds become available, the Executive Officer or Governing Board may increase the amount awarded. The Executive Officer or Governing Board may also select additional proposers for a grant or contract if additional funds become available.

SECTION VII: Budget Resource Statement

Payments will be made upon surrender of the emission reduction credits resulting from project implementation or project conclusion. Up to 25% of the total funding award may be initially paid for project startup if proposer provides a detailed justification demonstrating a compelling need for startup funding.

Further payments will be made based upon the surrender of emission reduction credits. Alternative payment schedules are subject to negotiation and may require additional approvals.

Funding for this program is contingent on monies available in the Air Quality Investment fund.

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SECTION VIII: DRAFT CONTRACT (PROVIDED AS A SAMPLE ONLY)



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-3271 www.aqmd.gov

This Contract consists of *** pages.

1. PARTIES - The parties to this Contract are the South Coast Air Quality Management District (referred to here as "AQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and *** (referred to here as "CONTRACTOR") whose address is ***.
2. RECITALS
 - A. AQMD is the local agency with primary responsibility for regulating stationary source air pollution in the South Coast Air Basin in the State of California. AQMD is authorized to enter into this Contract under California Health and Safety Code Section 40489. AQMD desires to contract with CONTRACTOR for services described in Attachment 1 - Statement of Work, attached here and made a part here by this reference. CONTRACTOR warrants that it is well-qualified and has the experience to provide such services on the terms set forth here.
 - B. CONTRACTOR is authorized to do business in the State of California and attests that it is in good tax standing with the California Franchise Tax Board.
 - C. All parties to this Contract have had the opportunity to have this Contract reviewed by their attorney.
 - D. CONTRACTOR agrees to obtain the required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
3. PERFORMANCE REQUIREMENTS
 - A. CONTRACTOR warrants that it holds all necessary and required licenses and permits to provide these services. CONTRACTOR further agrees to immediately notify AQMD in writing of any change in its licensing status.
 - B. CONTRACTOR shall submit reports to AQMD as outlined in Attachment 1 - Statement of Work. All reports shall be submitted in an environmentally friendly format: recycled paper; stapled, not bound; black and white, double-sided print; and no three-ring, spiral, or plastic binders or cardstock covers. AQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.
 - C. CONTRACTOR shall perform all tasks set forth in Attachment 1 - Statement of Work, and shall not engage, during the term of this Contract, in any performance of work that is in direct or indirect conflict with duties and responsibilities set forth in Attachment 1 - Statement of Work.
 - D. CONTRACTOR shall be responsible for exercising the degree of skill and care customarily required by accepted professional practices and procedures subject to AQMD's final approval which AQMD will not unreasonably withhold. Any costs incurred due to the failure to meet the foregoing standards, or otherwise defective services which require re-performance, as directed by AQMD, shall be the responsibility of CONTRACTOR. CONTRACTOR's failure to achieve the performance goals and objectives stated in Attachment 1- Statement of Work, is not a basis for requesting re-performance unless work conducted by CONTRACTOR is deemed by AQMD to have failed the foregoing standards of performance.
 - E. CONTRACTOR shall post a performance bond in the amount of *** Dollars (\$***) from a surety authorized to issue such bonds within the State. **[USE IF REQUIRED]**

- F. AQMD has the right to review the terms and conditions of the performance bond and to request modifications thereto which will ensure that AQMD will be compensated in the event CONTRACTOR fails to perform and also provides AQMD with the opportunity to review the qualifications of the entity designated by the issuer of the performance bond to perform in CONTRACTOR's absence and, if necessary, the right to reject such entity. [USE IF REQUIRED]
- G. CONTRACTOR shall ensure, through its contracts with any subcontractor(s), that employees and agents performing under this Contract shall abide by the requirements set forth in this clause.
4. TERM - The term of this Contract is from the date of execution by both parties (or insert date) to ***, unless further extended by amendment of this Contract in writing. No work shall commence until this Contract is fully executed by all parties.
5. TERMINATION - In the event any party fails to comply with any term or condition of this Contract, or fails to provide the services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 - Statement of Work, this failure shall constitute a breach of the Contract. The nonbreaching party shall either notify the breaching party that it must cure this breach or provide written notification of its intention to terminate this Contract. Notification shall be provided in the manner set forth in Clause 10. The nonbreaching party reserves all rights under law and equity to enforce this Contract and recover any damages. AQMD reserves the right to terminate this Contract at any time for nonbreach, and for the convenience of AQMD for any reason judged sufficient by AQMD. AQMD will reimburse CONTRACTOR for actual costs incurred (not to exceed the total Contract value), including all noncancellable commitments incurred in performance of this Contract through the effective date of termination for any reason other than breach.
6. INSURANCE
- A. CONTRACTOR shall furnish evidence to AQMD of workers' compensation insurance for each of its employees, and the employees of all subcontractors, in accordance with either California or other applicable statutory requirements prior to commencement of any work on this Contract.
- B. CONTRACTOR shall furnish evidence to AQMD of liability insurance with a combined single limit (general and automotive) of *** Dollars (\$***) prior to commencement of any work on this Contract. AQMD shall be named as an additional insured on any such liability policy, and thirty (30)-days written notice prior to any modification of any such insurance shall be given by CONTRACTOR to AQMD and such modifications are subject to pre-approval by AQMD.
- C. If CONTRACTOR fails to maintain the required insurance coverage set forth above, AQMD reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or terminate this Contract for breach.
- D. All insurance certificates should be mailed to: AQMD Risk Management, 21865 Copley Drive, Diamond Bar, CA 91765-4178. Include the AQMD Contract Number on the face of the certificate.
- E. CONTRACTOR must provide updates on the insurance coverage throughout the term of the Contract to ensure that there is no break in coverage during the period of contract performance. Failure to provide evidence of current coverage shall be grounds for termination for breach of Contract.
7. INDEMNIFICATION - CONTRACTOR agrees to hold harmless, indemnify, and defend AQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, cost, or expenses which AQMD, its officers, employees, agents, representatives, and successors-in-interest may incur or be required to pay by reason of any injury or property damage caused or incurred by CONTRACTOR, its employees, subcontractors, or agents as a result of the performance of this Contract.
8. CO-FUNDING [USE IF REQUIRED]

- A. CONTRACTOR shall obtain co-funding as follows: *** , *** Dollars (\$***); *** , *** Dollars (\$***); *** , *** Dollars (\$***); *** , *** Dollars (\$***); *** , *** Dollars (\$***); and *** , *** Dollars (\$***).
- B. If CONTRACTOR fails to obtain co-funding in the amount(s) referenced above, then AQMD reserves the right to renegotiate or terminate this Contract.
- C. CONTRACTOR shall provide co-funding in the amount of *** Dollars (\$***) for this project. If CONTRACTOR fails to provide this co-funding, then AQMD reserves the right to renegotiate or terminate this Contract.

9. PAYMENT

[FIXED PRICE]

- A. AQMD shall pay CONTRACTOR a fixed price of *** Dollars (\$***) for work performed under this Contract in accordance with Attachment 2 - Payment Schedule, attached here and included here by reference. Payment shall be made by AQMD to CONTRACTOR within thirty (30) days after approval by AQMD of an invoice prepared and furnished by CONTRACTOR showing services performed and referencing tasks and deliverables as shown in Attachment 1 - Statement of Work, and the amount of charge claimed. Each invoice must be prepared in duplicate, on company letterhead, and list AQMD's Contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to: South Coast Air Quality Management District, Attn: ***.
- B. An amount equal to ten percent (10%) shall be withheld from all charges paid until satisfactory completion and final acceptance of work by AQMD. *[OPTIONAL]*
- C. AQMD reserves the right to disallow charges when the invoiced services are not performed satisfactorily in AQMD sole judgment.

[T & M]

- A. AQMD shall pay CONTRACTOR a total not to exceed amount of *** Dollars (\$***), including any authorized travel-related expenses, for time and materials at rates in accordance with Attachment 2 - Payment Schedule, attached here and included here by this reference. Payment of charges shall be made by AQMD to CONTRACTOR within thirty (30) days after approval by AQMD of an itemized invoice prepared and furnished by CONTRACTOR referencing line item expenditures as listed in Attachment 2 and the amount of charge claimed. Each invoice must be prepared in duplicate, on company letterhead, and list AQMD's Contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to: South Coast Air Quality Management District, Attn: ***.
- B. CONTRACTOR shall adhere to total tasks and/or cost elements (cost category) expenditures as listed in Attachment 2. Reallocation of costs between tasks and/or cost category expenditures is permitted up to One Thousand Dollars (\$1,000) upon prior written approval from AQMD. Reallocation of costs in excess of One Thousand Dollars (\$1,000) between tasks and/or cost category expenditures requires an amendment to this Contract.
- C. AQMD's payment of invoices shall be subject to the following limitations and requirements:
 - i) Charges for equipment, material, and supply costs, travel expenses, subcontractors, and other charges, as applicable, must be itemized by CONTRACTOR. Reimbursement for equipment, material, supplies, subcontractors, and other charges shall be made at actual cost. Supporting documentation must be provided for all individual charges (with the exception of direct labor charges provided by CONTRACTOR) in excess of Two Hundred and Fifty Dollars (\$250). AQMD's reimbursement of travel expenses and requirements for supporting documentation are listed below.
 - ii) CONTRACTOR's failure to provide receipts shall be grounds for AQMD's non-reimbursement of such charges. AQMD may reduce payments on invoices by those charges for which receipts were not provided.
 - iii) AQMD shall not pay interest, fees, handling charges, or cost of money on Contract.

D. AQMD shall reimburse CONTRACTOR for travel-related expenses only if such travel is expressly set forth in Attachment 2 - Payment Schedule of this Contract or pre-authorized by AQMD in writing.

i) AQMD's reimbursement of travel-related expenses shall cover lodging, meals, other incidental expenses, and costs of transportation subject to the following limitations:

Air Transportation - Coach class rate for all flights. If coach is not available, business class rate is permissible.

Car Rental - A compact car rental. A mid-size car rental is permissible if car rental is shared by three or more individuals.

Lodging - Up to Ninety Dollars (\$90) per night. A higher amount of reimbursement is permissible if pre-approved by AQMD.

Meals - Daily allowance is Thirty-Five Dollars Fifty Cents (\$35.50).

ii) Supporting documentation shall be provided for travel-related expenses in accordance with the following requirements:

Lodging, Airfare, Car Rentals - Bill(s) for actual expenses incurred.

Meals - Meals billed in excess of \$35.50 each day require receipts or other supporting documentation for the total amount of the bill and must be approved by AQMD.

Mileage - Beginning each January 1, the rate shall be adjusted effective February 1 by the Chief Financial Officer based on the Internal Revenue Service Standard Mileage Rate

Other travel-related expenses - Receipts are required for all individual items in excess of Fifty Dollars (\$50).

E. AQMD reserves the right to disallow charges when the invoiced services are not performed satisfactorily in AQMD sole judgment.

10. INTELLECTUAL PROPERTY RIGHTS - Title and full ownership rights to any software, documents, or reports developed under this Contract shall at all times remain with AQMD. Such material is agreed to be AQMD proprietary information.

A. Rights of Technical Data - AQMD shall have the unlimited right to use technical data, including material designated as a trade secret, resulting from the performance of services by CONTRACTOR under this Contract. CONTRACTOR shall have the right to use technical data for its own benefit.

B. Copyright - CONTRACTOR agrees to grant AQMD a royalty-free, nonexclusive, irrevocable license to produce, translate, publish, use, and dispose of all copyrightable material first produced or composed in the performance of this Contract.

11. NOTICES - Any notices from either party to the other shall be given in writing to the attention of the persons listed below, or to other such addresses or addressees as may hereafter be designated in writing for notices by either party to the other. Notice shall be given by certified, express, or registered mail, return receipt requested, and shall be effective as of the date of receipt indicated on the return receipt card.

AQMD: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
Attn: ***

CONTRACTOR: ***

Attn: ***

12. EMPLOYEES OF CONTRACTOR

- A. AQMD reserves the right to review the resumes of any of CONTRACTOR employees, and/or any subcontractors selected to perform the work specified here and to disapprove CONTRACTOR choices. CONTRACTOR warrants that it will employ no subcontractor without written approval from AQMD. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, representatives or subcontractors shall in no sense be considered employees or agents of AQMD, nor shall CONTRACTOR, its officers, employees, agents, representatives or subcontractors be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by AQMD to its employees.

13. CONFIDENTIALITY - It is expressly understood and agreed that AQMD may designate in a conspicuous manner the information which CONTRACTOR obtains from AQMD as confidential. CONTRACTOR agrees to:

- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees or subcontractors of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
- B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this clause.
- C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
- D. Notify AQMD promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this clause.
- E. Take at CONTRACTOR expense, but at AQMD's option and in any event under AQMD's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- F. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information.
- G. Prevent access to such information by any person or entity not authorized under this Contract.
- H. Establish specific procedures in order to fulfill the obligations of this clause.
- I. Notwithstanding the above, nothing herein is intended to abrogate or modify the provisions of Government Code Section 6250 et. seq. (Public Records Act).

14. PUBLICATION

- A. AQMD shall have the right of prior written approval of any document which shall be disseminated to the public by CONTRACTOR in which CONTRACTOR utilized information obtained from AQMD in connection with performance under this Contract.
- B. Information, data, documents, or reports developed by CONTRACTOR for AQMD, pursuant to this Contract, shall be part of AQMD public record unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information provided to AQMD. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract.

"This report was prepared as a result of work sponsored, paid for, in whole or in part, by the South Coast Air Quality Management District (AQMD). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of AQMD. AQMD, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report. AQMD has not approved or disapproved this report, nor has AQMD passed upon the accuracy or adequacy of the information contained herein."

- C. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and require compliance with the above.

15. NON-DISCRIMINATION - In the performance of this Contract, CONTRACTOR shall not discriminate in recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall likewise require each subcontractor to comply with this clause and shall include in each such subcontract language similar to this clause.

16. SOLICITATION OF EMPLOYEES - CONTRACTOR expressly agrees that CONTRACTOR shall not, during the term of this Contract, nor for a period of six months after termination, solicit for employment, whether as an employee or independent contractor, any person who is or has been employed by AQMD during the term of this Contract without the consent of AQMD.

17. PROPERTY AND SECURITY - Without limiting CONTRACTOR obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by AQMD for access to and activity in and around AQMD premises.

18. ASSIGNMENT - The rights granted hereby may not be assigned, sold, licensed, or otherwise transferred by either party without the prior written consent of the other, and any attempt by either party to do so shall be void upon inception.

19. NON-EFFECT OF WAIVER - The failure of CONTRACTOR or AQMD to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.

20. ATTORNEYS' FEES - In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.

21. FORCE MAJEURE - Neither AQMD nor CONTRACTOR shall be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of AQMD or CONTRACTOR.
22. SEVERABILITY - In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.
23. HEADINGS - Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
24. DUPLICATE EXECUTION - This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
25. GOVERNING LAW - This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any disputes under this Contract shall be Los Angeles County, California.
26. CITIZENSHIP AND ALIEN STATUS
- A. CONTRACTOR warrants that it fully complies with all laws regarding the employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). CONTRACTOR shall obtain from all covered employees performing services hereunder all verification and other documentation of employees' eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall have a continuing obligation to verify and document the continuing employment authorization and authorized alien status of employees performing services under this Contract to insure continued compliance with all federal statutes and regulations.
 - B. Notwithstanding paragraph A above, CONTRACTOR, in the performance of this Contract, shall not discriminate against any person in violation of 8 USC Section 1324b.
 - C. CONTRACTOR shall retain such documentation for all covered employees for the period described by law. CONTRACTOR shall indemnify, defend, and hold harmless AQMD, its officers and employees from employer sanctions and other liability which may be assessed against CONTRACTOR or AQMD, or both in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.
27. FEDERAL FAIR SHARE POLICY - As a recipient of Environmental Protection Agency (EPA) grant funds, AQMD is required to flow down to all of its contractors the provisions of 40 CFR Section 31.36(e) which addresses affirmative steps for contracting with small-and-minority firms, women's business enterprises, and labor surplus area firms. CONTRACTOR agrees to comply with these provisions.
28. REQUIREMENT FOR FILING STATEMENT OF ECONOMIC INTERESTS - In accordance with the Political Reform Act of 1974 (Government Code Sec. 81000 et seq.) and regulations issued by the Fair Political Practices Commission (FPPC), AQMD has determined that the nature of the work to be performed under this

Contract requires CONTRACTOR to submit a Form 700, Statement of Economic Interests for Designated Officials and Employees, for each of its employees assigned to work on this Contract. These forms may be obtained from AQMD's District Counsels' office. [USE IF REQUIRED]

29. COMPLIANCE WITH SINGLE AUDIT ACT REQUIREMENTS [OPTIONAL - TO BE INCLUDED IN CONTRACTS WITH FOR-PROFIT CONTRACTORS WHICH HAVE FEDERAL PASS-THROUGH FUNDING] - During the term of the Contract, and for a period of three (3) years from the date of Contract expiration, and if requested in writing by the AQMD, CONTRACTOR shall allow the AQMD, its designated representatives and/or the cognizant Federal Audit Agency, access during normal business hours to all records and reports related to the work performed under this Contract. CONTRACTOR assumes sole responsibility for reimbursement to the Federal Agency funding the prime grant or contract, a sum of money equivalent to the amount of any expenditures disallowed should the AQMD, its designated representatives and/or the cognizant Federal Audit Agency rule through audit exception or some other appropriate means that expenditures from funds allocated to the CONTRACTOR were not made in compliance with the applicable cost principles, regulations of the funding agency, or the provisions of this Contract.

[OPTIONAL - TO BE INCLUDED IN CONTRACTS WITH NON-PROFIT CONTRACTORS WHICH HAVE FEDERAL PASS-THROUGH FUNDING] - Beginning with CONTRACTOR's current fiscal year and continuing through the term of this Contract, CONTRACTOR shall have a single or program-specific audit conducted in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133 (Audits of States, Local Governments and Non-Profit Organizations), if CONTRACTOR expended Three Hundred Thousand Dollars (\$300,000) or more in a year in Federal Awards. Such audit shall be conducted by a firm of independent accountants in accordance with Generally Accepted Government Audit Standards (GAGAS). Within thirty (30) days of Contract execution, CONTRACTOR shall forward to AQMD the most recent A-133 Audit Report issued by its independent auditors. Subsequent A-133 Audit Reports shall be submitted to the AQMD within thirty (30) days of issuance.

CONTRACTOR shall allow the AQMD, its designated representatives and/or the cognizant Federal Audit Agency, access during normal business hours to all records and reports related to the work performed under this Contract. CONTRACTOR assumes sole responsibility for reimbursement to the Federal Agency funding the prime grant or contract, a sum of money equivalent to the amount of any expenditures disallowed should the AQMD, its designated representatives and/or the cognizant Federal Audit Agency rule through audit exception or some other appropriate means that expenditures from funds allocated to the CONTRACTOR were not made in compliance with the applicable cost principles, regulations of the funding agency, or the provisions of this Contract.

30. OPTION TO EXTEND THE TERM OF THE CONTRACT - AQMD reserves the right to extend the contract for a one-year period commencing ***** (enter date) at the (option price or Not-to-Exceed Amount) set forth in Attachment 2. In the event that AQMD elects to extend the contract, a written notice of its intent to extend the contract shall be provided to CONTRACTOR no later than thirty (30) days prior to Contract expiration. [USE IF REQUIRED]
31. KEY PERSONNEL - *insert person's name* is deemed critical to the successful performance of this Contract. Any changes in key personnel by CONTRACTOR must be approved by AQMD. All substitute personnel must possess qualifications/experience equal to the original named key personnel and must be approved by AQMD. AQMD reserves the right to interview proposed substitute key personnel. [USE IF REQUIRED]
32. PREVAILING WAGES - [USE FOR INFRASTRUCTURE PROJECTS] CONTRACTOR is alerted to the prevailing wage requirements of California Labor Code section 1770 et seq. Copies of the prevailing rate of

per diem wages are on file at the AQMD's headquarters, of which shall be made available to any interested party on request. Notwithstanding the preceding sentence, CONTRACTOR shall be responsible for determining the applicability of the provisions of California Labor Code and complying with the same, including, without limitation, obtaining from the Director of the Department of Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, making the same available to any interested party upon request, paying any applicable prevailing rates, posting copies thereof at the job site and flowing all applicable prevailing wage rate requirements to its subcontractors. CONTRACTOR shall indemnify, defend and hold harmless the South Coast Air Quality Management District against any and all claims, demands, damages, defense costs or liabilities based on failure to adhere to the above referenced statutes.

33. APPROVAL OF SUBCONTRACT

- A. If CONTRACTOR intends to subcontract a portion of the work under this Contract, written approval of the terms of the proposed subcontract(s) shall be obtained from AQMD's Executive Officer or designee prior to execution of the subcontract. No subcontract charges will be reimbursed unless such approval has been obtained.
- B. Any material changes to the subcontract(s) that affect the scope of work, deliverable schedule, and/or cost schedule shall also require the written approval of the Executive Officer or designee prior to execution.
- C. The sole purpose of AQMD's review is to insure that AQMD's contract rights have not been diminished in the subcontractor agreement. AQMD shall not supervise, direct, or have control over, or be responsible for, subcontractor's means, methods, techniques, work sequences or procedures or for the safety precautions and programs incident thereto, or for any failure of subcontractor to comply with any local, state, or federal laws, or rules or regulations.

34. ENTIRE CONTRACT - This Contract represents the entire agreement between the parties hereto related to CONTRACTOR providing services to AQMD and there are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and signed by the party against whom enforcement of such waiver, alteration, or modification is sought.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

By: _____
Barry R. Wallerstein, D.Env., Executive Officer
Dr. William A. Burke, Chairman, Governing Board

By: _____

Date: _____

Date: _____

ATTEST:
Saundra McDaniel, Clerk of the Board

By: _____

APPROVED AS TO FORM:
Barbara Baird, District Counsel

By: _____

//Standard Boilerplate
12November2003

ATTACHMENT A

CERTIFICATIONS AND REPRESENTATIONS

Business Information

1. Company Name and Address: _____

2. If the Contractor is a corporation please list your state of incorporation:

3. If the Contractor is a subsidiary or an affiliate, please list the name and address of the parent company.

Parent Company Name: _____

Address: _____

4. If the Contractor is a parent company with subsidiaries or affiliates, please list below the names of all subsidiaries or affiliates.

The Contractor hereby attests that it is in good tax standing with the State of California as of the date set forth below.

Name of Authorized Representative:

Title: _____

Date: _____

CERTIFICATION

DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)

OR SMALL BUSINESS

1. To receive points in the evaluation process for being a DVBE, the Contractor must submit evidence of certification by an agency whose certification meets the requirements set forth in Section II B (3) and B (4) of this RFP.
2. To receive points in the evaluation process for being a Small Business, the Contractor must submit a self-certification attesting that the business meets the requirements set forth in Section II B (6) of this RFP, or provide a certification from the State of California Office of Small Business Certification and Resources, California Department of General Services.

CERTIFICATION

MOST FAVORED CUSTOMER STATUS

By submission of this offer, the Contractor hereby certifies that the rates contained in its cost proposal are no higher than those charged the Contractor's most favored customer.

Company Name:

Name of Authorized Representative:

Title

Date



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-3271 www.aqmd.gov

To Whom It May Concern:

Federal Income Tax Law requires the AQMD to file information returns for "services rendered" by certain individuals and others. The code provides that the Taxpayer Identification Number of the "payment recipient" (you) must be furnished upon request to the "service recipient" (us).

According to the regulations, effective January 1, 1984, if the payee fails to provide the Correct ID Number, payments may be subject to 20% Backup Federal Income Tax Withholding by the AQMD, and the payee is further subject to a penalty of \$50.00 by the IRS.

In order to help us comply with our reporting responsibilities and to protect yourself from withholding or penalty, please provide the following information and complete the attached W-9 form, and return both documents.

1. NINE DIGIT
Federal Identification No. _____

or

Social Security No. _____

2. ENTITY (check one)
Individual _____
Corporation _____
Partnership _____
Sole Proprietorship _____
Other (specify): _____

Signature

Date

Title

Note: Writing "Applied For" on the form means that you have already applied for a TIN **OR** that you intend to apply for one soon.

As soon as you receive your TIN, complete another Form W-9, include your TIN, sign and date the form, and give it to the requester.

Penalties

Failure To Furnish TIN.—If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information With Respect to Withholding.—If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal Penalty for Falsifying Information.—Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs.—If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name.—If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, please enter your first name, the last name shown on your social security card, and your new last name.

Sole Proprietor.—You must enter your individual name. (Enter either your SSN or EIN in Part I.) You may also enter your business name or "doing business as" name on the business name line. Enter your name as shown on your social security card and business name as it was used to apply for your EIN on Form SS-4.

Part I—Taxpayer Identification Number (TIN)

You must enter your TIN in the appropriate box. If you are a sole proprietor, you may enter your SSN or EIN. Also see the chart on this page for further clarification of name and TIN combinations. If you do not have a TIN, follow the instructions under **How To Get a TIN** on page 1.

Part II—For Payees Exempt From Backup Withholding

Individuals (including sole proprietors) are **not** exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For a complete list of exempt payees, see the separate Instructions for the Requester of Form W-9.

If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "Exempt" in Part II, and sign and date the form. If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester a completed **Form W-8**, Certificate of Foreign Status.

Part III—Certification

For a joint account, only the person whose TIN is shown in Part I should sign.

1. Interest, Dividend, and Barter Exchange Accounts Opened Before 1984 and Broker Accounts Considered Active During 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, Dividend, Broker, and Barter Exchange Accounts Opened After 1983 and Broker Accounts Considered Inactive During 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real Estate Transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other Payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified of an incorrect TIN. Other payments include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services, payments to a nonemployee for services (including attorney and accounting fees), and payments to certain fishing boat crew members.

5. Mortgage Interest Paid by You, Acquisition or Abandonment of Secured Property, Cancellation of Debt, or IRA Contributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your

TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your SSN or EIN.

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.



EPA Project Control Number

United States Environmental Protection Agency
Washington, DC 20460

Certification Regarding Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

Typed Name & Title of Authorized Representative

Signature of Authorized Representative

Date

☐ I am unable to certify to the above statements. My explanation is attached.

EPA Form 5700-49 (11-88)

INSTRUCTIONS

Under Executive Order 12549, an individual or organization debarred or excluded from participation in federal assistance or benefit programs may not receive any assistance award under a federal program, or a sub-agreement thereunder for \$25,000 or more.

Accordingly, each prospective recipient of an EPA grant, loan, or cooperative agreement and any contract or sub-agreement Participant thereunder must complete the attached certification or provide an explanation why they cannot. For further details, see 40 CFR 32.510, Participants' responsibilities, in the attached regulation.

Where To Submit:

The prospective EPA grant, loan, or cooperative agreement recipient must return the signed certification or explanation with its application to the appropriate EPA headquarters or regional office, as required in the application instructions.

A prospective prime contractor must submit a completed certification or explanation to the individual or organization awarding the contract.

Each prospective subcontractor must submit a completed certification or explanation to the prime contractor for the project.

How To Obtain Forms:

EPA includes the certification form, instructions, and a copy of its implementing regulation (40 CFR Part 32) in each application kit. Applicants may reproduce these materials as needed and provide them to their prospective prime contractors, who, in turn, may reproduce and provide them to prospective subcontractors.

Additional copies/assistance may be requested from:

Compliance Branch
Grants Administrative Division (PM-216F)
U.S. Environmental Protection Agency
401 M Street, SW
Washington, DC 20460
Telephone: 202/475-8025